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SUPPLEMENT TO  
REPORT NO.

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NATIONAL TRADE CONFERENCE RECOMMENDS CHANGES;  
HONG KONG. EXPORT MARKET ACTIVE

2. To prevent blind competition among private traders, secure even distribution of goods, recapture and expand international markets, assure the seasonal import of important goods, and insure the carrying out of the government's policies in the matter of the proper division of activities between publicly operated and private enterprises, the conference recommended that import-export trade be organized under an international trade research institute, small committees for individual lines of trade within the general trade associations, and joint public-private operations. The varying conditions of different localities and the wishes of private companies, should be taken into account in the establishment of the above-mentioned agencies.

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3. Registered importers and private factories may apply for foreign exchange to pay for imports. The local foreign trade control bureaus will issue permits for such exchange in accord with the necessities of the local markets and production requirements. Private factories may not resell raw materials imported. Importers shall make monthly reports to their trade associations upon the market conditions in the lines they handle. The trade associations shall pass these reports on to the trade control bureau to aid the bureau in managing its import controls.

4. Contracts entered into between public and private enterprises shall be faithfully carried out by both sides unless uncontrollable circumstances intervene. If one side declines to renew a contract and such action results in damage to the other side, the first party should be responsible for making good the damage. In case of arguments, arbitration should be resorted to according to the terms of the contract to secure a settlement.

EUROPEAN STEEL SHORTAGE AIDS HONG KONG PRODUCERS -- Hong Kong Wen-hui Pao,  
7 Sep 50

Until recently, prices for Belgian and French steel in Hong Kong were lower than local steel. Since the beginning of the Korean conflict, European supplies have fallen off with a consequent rise in prices that has made it possible for local producers to compete. Orders are coming in from the Philippines, Singapore, and Thailand. About 1,200 tons of the local monthly production of 2,000 tons is being exported. Because of recession in building operations the local demand has fallen off; the present spurt in operations is hardly regarded as a permanent feature of the industry.

DEMAND FOR TEA OIL AND TUNG OIL JUMPS -- Hong Kong Wen-hui Pao, 7 Sep 50

A sudden demand by European buyers for tea oil has resulted in sales of 100 tons in one day in Hong Kong at 140 Hong Kong dollars a drum. Tung oil demand is also up. On advices from Singapore, coconut oil dealers have also boosted prices.

HONG KONG BRISTLES EXPORTS INCREASE -- Hong Kong Wen-hui Pao, 8 Sep 50

Two opposing trends have appeared in two important items of Hong Kong trade. Bristles imports have fallen off while exports have risen. Tung oil exports have fallen off while imports have risen [sic. Cf previous item].

Bristles imports from North China amounted to only 8 piculs in July as compared with 440 piculs for June. Exports for July totaled 3,277 piculs, as compared with 3,075 for June. Of this total, the US took 3,011 piculs, the second largest user being Japan with 120 piculs.

Tung oil imports for July totaled 92,141 piculs, as compared with 65,451 piculs for June. Exports for July amounted to 61,834 piculs, as compared with 78,499 piculs for June. The chief source of tung oil imports for the month was South China and the largest consumer the US, followed by Australia.

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